

**§ 543.9 *What are the minimum internal control standards for card games?***

(a) *Computer applications.* For any computer applications utilized, alternate documentation and/or procedures that provide at least the level of control described by the standards in this section, as approved by the Tribal gaming regulatory authority in writing, will be acceptable.

(b) *Standards for drop and count.* The procedures for the collection of the card game drop and the count thereof shall comply with §543.21, §543.31, or §543.41 (as applicable).

(c) *Standards for supervision.* (1) Supervision shall be provided at all times the card room is in operation by personnel with authority equal to or greater than those being supervised.

(i) A supervisor may function as a dealer without any other supervision if disputes are resolved by supervisory personnel independent of the card games department; or

(ii) A dealer may function as a supervisor, if not dealing the game.

(2) Exchanges between table banks and the main card room bank (or cage, if a main card room bank is not used) shall be authorized by a supervisor. All exchanges shall be evidenced by the use of a lammer unless the exchange of chips, tokens, and/or cash takes place at the table. If table banks are maintained at an imprest level and runners are used for the exchanges at the table, no supervisory authorization is required.

(3) Exchanges from the main card room bank or cage, if a main card room bank is not used, to the table banks shall be verified by the card room dealer and the runner.

(4) If applicable, transfers between the main card room bank and the cage shall be properly authorized and documented. Documentation must be retained for at least 24 hours.

(5) A rake collected or ante placed shall be done in accordance with the posted rules.

(d) *Standards for playing cards.* (1) New and used playing cards to be issued to a table shall be maintained in a secure location to prevent unauthorized access and reduce the possibility of tampering. Used playing cards that are not to be re-used shall be properly canceled and removed from service. The cancelation and removal procedure shall be subject to TGRA review and approval.

(2) This standard shall not apply where playing cards are retained for an investigation.

(e) *Standards for shills.* (1) Issuance of shill funds shall be recorded on a shill sign-out form and shall have the written approval of the supervisor.

(2) Returned shill funds shall be recorded on a shill sign-out form and verified by a supervisor who signs the form.

(3) The replenishment of shill funds shall be documented.

(f) *Standards for reconciliation of card room bank.* (1) The amount of the main card room bank shall be counted, recorded, and reconciled at least once every eight hours or when accountability transfers.

(2) At least once every eight hours, the table banks that were opened during that shift shall be counted, recorded, and reconciled by a dealer or other person, and a supervisor (or an employee independent of the card games department), and shall be attested to by their signatures on the check-out form. For imprest banks that remain with the dealer, the banks shall be counted, recorded and reconciled upon issuance and upon return by the

dealer and a supervisor (or an employee independent of the card games department), and attested to by their signing the checkout form.

(g) *Standards for promotional progressive pots and pools.* (1) All funds contributed by players into the pools shall be returned when won in accordance with the posted rules with no commission or administrative fee withheld.

(i) The payout may be in the form of personal property (e.g., car).

(ii) A combination of a promotion and progressive pool may be offered.

(2) The conditions for participating in current card game promotional progressive pots, pools, and any related promotions including drawings and giveaway programs shall be prominently displayed or available for customer review at the gaming operation.

(3) Payouts for card game promotional progressive pots, pools and any other promotion, including related drawings and giveaway programs, that are \$600 or more shall be documented at the time of the payout to include the following:

(i) Customer's name;

(ii) Date of payout;

(iii) Dollar amount of entry payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout;

(iv) Signature of individual completing transaction attesting to the disbursement of the payout with the customer; and

(v) Name of contest/tournament.

(4) If the cash (or cash equivalent) payout for the card game promotional progressive pot, pool, or related promotion, including a payout resulting from a drawing or giveaway program, is less than \$600, documentation shall be created to support accountability of

the bank from which the payout was made. Such documentation may consist of a line item on a card games department or cage accountability document (e.g., 43 (forty-three) \$10 card games giveaway coupons = \$430).

(5) Rules governing current promotional pools shall be conspicuously posted in the card room and/or available in writing for customer review. The rules shall designate:

- (i) The amount of funds to be contributed from each pot;
- (ii) What type of hand it takes to win the pool (e.g., what constitutes a “bad beat”);
- (iii) How the promotional funds will be paid out;
- (iv) How/when the contributed funds are added to the pools; and
- (v) Amount/percentage of funds allocated to primary and secondary pools, if applicable.

(6) Promotional pool contributions shall not be placed in or near the rake circle, in the drop box, or commingled with gaming revenue from card games or any other gambling game.

(7) The amount of the pools shall be conspicuously displayed in the card room.

(8) At least once a day, the posted pool amount shall be updated to reflect the current pool amount.

(9) At least once a day, increases to the posted pool amount shall be reconciled to the cash previously counted or received by the cage by personnel independent of the card room.

(10) All decreases to the pool must be properly documented, including a reason for the decrease.

(11) Promotional funds removed from the card game shall be placed in a locked container (e.g., a separate locked container affixed to a card game table used solely for promotional pool funds).

(12) Persons authorized to transport the locked container shall be precluded from having access to the contents keys.

(13) The contents key shall be maintained by a department independent of the card room.

(14) At least once a day, the locked container shall be removed by two persons, one of whom is independent of the card games department, and transported directly to the cage or other secure room to be counted, recorded, and verified, prior to accepting the funds into cage accountability.

(h) *Card Room Contests and Tournaments* (1) All contest/tournament entry fees and prize payouts shall be summarized on a cash accountability document on a daily basis.

(2) When, in accordance with the rules of the contest/tournament as established by the gaming operation, identification of the entrant is required for making the subsequent payout of \$600 or more,(e.g., high hand of the day/week), the entry fee(s) shall be recorded on a document which contains:

(i) Customer's name;

(ii) Date of entry;

(iii) Dollar amount of entry fee (both alpha and numeric, or unalterable numeric);

(iv) Signature of individual completing transaction attesting to the receipt the entry fee with the customer; and

(v) Name of contest/tournament.

(3) When contest/tournament payouts of \$600 or more are transacted, the transactions shall be recorded on a document which contains:

- (i) Customer's name;
- (ii) Date of payout;
- (iii) Dollar amount of entry payout (both alpha and numeric, or unalterable numeric) and/or nature and dollar value of any noncash payout;
- (iv) Signature of individual completing transaction attesting to the disbursement of the payout with the customer; and
- (v) Name of contest/tournament.

(4) Contest/tournament prize pools that have the amount of the pool determined through player contributions from card game pots are subject to the requirements of §543.9 (g) (5) and §543.9 (g) (11)-(14).

(5) The contest/tournament entry fees and payouts shall be summarized and posted to the accounting records on at least a monthly basis.

(6) Current contest/tournament rules shall be included on all entry forms/brochures and prominently displayed or available for customer review at the gaming operation. The rules must include at a minimum:

- (i) All conditions customers must meet to qualify for entry into, and advancement through, the contest/tournament;
- (ii) Specific information pertaining to any single contest/tournament, inclusive of the following:

(A) Dollar amount of money placed in to the prize pool;

(B) If dollar amount not predetermined, the method by which the dollar contribution will be determined; and

(C) Description of merchandise contributed, inclusive a dollar value.

(iii) The distribution of funds based on specific outcomes.

(7) Results of current contests/tournaments shall be recorded and available for participants to review, including the name of the event, date(s) of event, total number of entries, dollar amount of entry fees, total prize pool, and the dollar amount paid for each winning category. The gaming operation shall establish a reasonable retention period to maintain the information, which shall be subject to TGRA concurrence.

(i) For contest/tournament prize pools where the amount of the pool is determined through patron contributions from card game pots, the daily contributions and the total contributions shall be recorded.

(ii) Two employees, one of whom is independent of the collection of entry fees, shall reconcile the total amount of card game chips issued for the contest/tournament in exchange for entry fees to the final chip count at the end of the contest/tournament. The reconciliation shall be documented and signed by the employees.

(i) *Computerized Player Tracking Systems* (1) The following standards apply only to computerized player tracking systems that accumulate points that are subsequently redeemed by the customer for cash, merchandise, etc.

(2) The addition/deletion of points to player tracking accounts other than through an automated process related to actual play must be sufficiently documented (including substantiation of reasons for increases) and authorized or performed by supervisory personnel of the player tracking, promotions, or card games departments.

(i) The addition/deletion of points to player tracking accounts authorized by supervisory personnel shall be documented and randomly verified by accounting/audit personnel on at least a quarterly basis.

(ii) The above requirements do not apply to the deletion of points related to inactive or closed accounts through an automated process.

(3) Employees who redeem points for patrons shall not have access to inactive or closed accounts without supervisory personnel authorization. Documentation of such access and approval shall be created and maintained.

(4) Customer identification shall be required when redeeming points for cash or at any time points are being redeemed without a player tracking card.

(5) Changes to the player tracking system parameters, such as point structures and employee access, must be performed by supervisory personnel independent of the card games department. Alternatively, changes to player tracking system parameters may be performed by card games supervisory personnel if sufficient documentation is generated and the propriety of the changes is randomly verified by personnel independent of the card games department on a quarterly basis.

(6) Rules and policies for player tracking accounts including the awarding, redeeming and expiration of points shall be prominently displayed or available for customer review at the gaming operation.

*Proposed Accounting/Audit Standards 543.9 (j) (1)-(7) have been moved to proposed Revenue Audit 543.50 (c).*

~~**(j) Accounting/Audit Standards (1) The card games audit shall be conducted by personnel independent of the card games department.**~~



~~(2) On a daily basis, audit/accounting personnel shall reconcile the amount indicated on the progressive sign/meter to the cash counted or received by the cage and the payouts made for each promotional progressive pot and pool. This reconciliation must be sufficiently documented (including substantiation of differences, adjustments, etc.).~~

~~(3) The following procedures shall be performed by accounting/audit personnel using the appropriate document prepared by the count team members for each day:~~

~~(i) Reconcile the dollar amount of drop proceeds to the dollar amount recorded in the applicable accountability document using, if applicable, the transfer forms indicating all transfers in/out of the count room, both during and at the end of the count. Investigate and document any variance noted.~~

~~(ii) Recalculate card game proceeds (all funds received by the gaming operation as compensation for conducting the game) in total and by shift. For computerized master games sheets that total the count proceeds from each box, accounting personnel are to recalculate rake in total and by shift for one day each month.~~

~~(iii) Verify that the correct total of card game proceeds is recorded in the accounting records.~~

~~(4) At least monthly, accounting/audit personnel shall review all payouts for the promotional progressive pots, pools, or other promotions to determine proper accounting treatment.~~

~~(5) At least monthly, accounting/audit personnel shall perform procedures to ensure that payouts for the promotional progressive pots, pools, or other promotions are conducted in accordance with conditions provided to the customers.~~

~~(6) Daily, accounting/audit personnel shall reconcile all contest/tournament entry and payout forms to the dollar amounts recorded in the appropriate accountability document.~~

~~(7) Documentation (e.g., log, checklist, notation on reports, and tapes attached to original documents) evidencing the performance of card games audit procedures, the exceptions noted, and the follow-up of all card games audit exceptions shall be maintained,~~